

**Source Selection Statement**  
**Laboratory Services Stennis Space Center**  
**Solicitation Number: NNS09ZDA006R**  
**March 24, 2010**

**A. Procurement History**

The NASA John C. Stennis Space Center (SSC or Center) is located in Hancock County, MS. The Laboratory Services contract consists of technical services including: gas, materials, and environmental laboratory analysis; maintenance of measurement standards and the calibration and repair of instrumentation and; specialized technical, business, and administrative systems services and related operations required to support the Center's mission requirements. The Contractor is responsible for furnishing a sufficient number of qualified personnel to accomplish the services. Diverse activities at SSC will demand a flexible, cross-trained staff to fully support quick and cost effective response to technical requirements, such as providing highly specialized laboratory support to propulsion programs, specialized technical support to naval oceanographic systems conducted on-site and at remote locations including ships at sea.

A presolicitation informational synopsis/sources sought was posted on February 13, 2009 on the NASA Acquisition Internet Service (NAIS) Business Opportunities and Federal Business Opportunities (FedBizOps) websites. The draft Request for Proposal was released July 10, 2009 and the Final Request for Proposal was released October 1, 2009. Proposals were due no later than November 5, 2009.

This procurement is being conducted utilizing Best Value Selection (BVS), which seeks to select an offer based on the best combination of price and qualitative merit (including Management Approach, Relevant Experience, and Past Performance) of the offers submitted. BVS predefines the value characteristics that will serve as the discriminators among offers and is based on the premise that, if all offers are of approximately equal qualitative merit, award will be made to the offeror with the lowest evaluated price (fixed-price contracts). However, the Government will consider awarding to an offeror with higher qualitative merit if the difference in price is commensurate with added value. Conversely, the Government will consider making award to an offeror whose offer has lower qualitative merit if the price differential between it and other offers warrant doing so.

Award will be made to the responsible Offeror whose proposal is responsive, and offers the best value to the government. The following non-priced evaluation criteria will be used: Management Approach, Relevant Experience and Past Performance. Management Approach, Relevant Experience and Past Performance are approximately equal. When combined, these three factors are significantly more important than Price. Award will be based on the best overall value to the Government. The Government reserves the right to award to other than the lowest Offeror. This process will result in the best value by allowing the Government to attain the higher quality of services if it is determined to be the best value.

The rating method that will be utilized will consist of the following:

Management Approach will receive one of the following efficiency ratings:

| <b>RATING</b>        | <b>DEFINITION</b>   | <b>STANDARD</b>   |
|----------------------|---|---|
| Highly Effective     | The Management approach submitted by the offeror leaves little doubt that the proposed approach will be highly effective throughout the life of the contract. | Provided the requested information in the proposal, that reflects an excellent management approach with a clear understanding of the work to be performed and the ability to provide uninterrupted high-quality work.   |
| Moderately Effective | The Management approach submitted by the offeror leaves some doubt that the proposed approach will be effective throughout the life of the contract.          | Provided the requested information in the proposal. The information provided reflects a management approach which lacks detail and only shows a general understanding of the work to be performed and the ability to provide uninterrupted quality work.  |
| Ineffective          | The Management approach submitted by the offeror leaves significant doubt that the proposed approach will be effective throughout the life of the contract.   | Not all requested information was provided in the proposal or the information that was provided did not reflect an acceptable management approach demonstrating a lack of understanding of the work to be performed. This approach could result in interruption of service or a lower-quality work. |

Relevant Experience will receive one of the following risk ratings:

| <b>RATING</b> | <b>DEFINITION</b>   | <b>STANDARD</b>   |
|---------------|---|---|
| Low Risk      | Little doubt exists, based on the Offeror's experience; that the NPDan satisfactorily perform this kind of work.      | Extensive experience in projects of similar size, scope, complexity.  |
| Moderate Risk | Some doubt exists, based on the offeror's experience, that the NPDan satisfactorily perform this kind of work.        | Limited experience in projects of similar size and scope or extensive experience as the primary subcontractor for projects similar in size and scope. |
| High Risk     | Significant doubt exists, based on the offeror's experience, that the NPDan satisfactorily perform this kind of work. | Very little experience in projects of this kind.  |

Past Performance will receive one of the following adjectival ratings:

| RATING         | DEFINITION   | STANDARD   |
|----------------|--|--|
| Outstanding    | Substantially exceeds requirements. Entirely favorable past performance with an outstanding safety record.           | A significant majority of sources of information are consistently firm in stating that the OFFEROR's performance was superior and that they would unhesitatingly do business with the OFFEROR again. Complaints are negligible, or unfounded. The OFFEROR has no record of criminal conduct, civil fraud, or negligence, or the record demonstrated by more recent performance that corrective action has made the likelihood of such conduct in the future highly improbable. No record of a major breach of safety as defined in the NFS 1852.223-75 within the last three years, and the contractor's safety history for the Total Recordable Incident Rate (TRIR) is considerably below industry average.  |
| Above Average  | Somewhat exceeds requirements. More favorable than unfavorable past performance with an above average safety record. | Most sources of information state that the OFFEROR's performance was good, better than average and that they would willingly do business with the OFFEROR again. Complaints, though perhaps well founded, are few and relatively minor. The OFFEROR has no record of criminal conduct, civil fraud, or negligence, or the record demonstrated by more recent performance that corrective action has made the likelihood of such conduct in the future highly improbable. The contractor's safety history for the Total Recordable Incident Rate (TRIR) is below industry average.  |
| Neutral        | No record exists or the contractor has no past performance to report.  |  |
| Satisfactory   | Meets requirements. Inconclusive past performance record with a satisfactory safety record.                          | Sources of information are roughly divided over the quality of the OFFEROR's performance. While some state that they would do business with the OFFEROR again, others are doubtful or would not. Complaints are balanced by reports of good work. The OFFEROR has no record of criminal conduct, civil fraud, or negligence, or the record is over 3 years old. The contractor's safety history reflects the Total Recordable Incident Rate (TRIR) is in line with the industry average.   |
| Marginal       | Barely meets requirements. More unfavorable than favorable past performance exists, with a marginal safety record.   | Many sources of information make unfavorable reports about the OFFEROR's performance and either expressed serious doubts about doing business with the OFFEROR again or states that they would refuse to do so. However, there are some favorable reports, and some sources of information indicate that they would do business with the OFFEROR again. There are many significant, serious, and well-founded complaints, but there are some reports of good performance. The OFFEROR may have been indicted, pled guilty, or may have been found guilty on matters of criminal conduct, but issues are unresolved, relatively minor, or do not reflect a company wide or managerial pattern of wrongdoing. The OFFEROR may have lost civil suits for fraud or negligence, but there is no company wide or managerial pattern of fraudulent, negligent, or criminal conduct. The contractor's safety history reflects the Total Recordable Incident Rate (TRIR) is above the industry average. |
| Unsatisfactory | Does not meet requirements. Entirely unfavorable past performance with an unsatisfactory safety record.              | A significant majority of sources of information are consistently firm in stating that the OFFEROR's performance was entirely unsatisfactory and that they would not do business with the OFFEROR again under any circumstances. Customer complaints are substantial or numerous and are well founded, or, although not debarred or suspended, the OFFEROR is under indictment or has been convicted of criminal conduct, or has been found liable for fraud or negligence. The OFFEROR either has presented no persuasive evidence of having taken appropriate corrective action that will guard against such conduct in the foreseeable future, or it appears unlikely that the corrective action will be effective. The contractor's safety history reflects the Total Recordable Incident Rate (TRIR) which is considerably above the industry average.  |

The solicitation closed on November 5, 2009, and the initial review was conducted on the proposals received.

## **B. Findings by the Acquisition Buying Team**

A total of four (4) proposals were received, in response to this Request for Proposal (RFP), from the following offerors: Skylla, HX5, NPD, and A<sup>2</sup> Research. In accordance with the evaluation process outlined in the RFP, all offerors were evaluated in accordance with step one. All offerors provided a responsive proposal.

The initial evaluation of the value characteristics consisted of: Management Approach, Relevant Experience, Past Performance and Price. Consistent with step two of the evaluation process identified in the solicitation the Government determined to establish a competitive range and hold discussions with those offerors having a reasonable chance of award. The Acquisition Buying Team (ABT) presented its initial evaluation findings to the SSA on December 09, 2009. Directly following the presentation, the SSA met in executive session with a small group of ex-officio ABT members, all of whom heard the presentation and were familiar with the RFP. In probing the ABT during its presentation and taking into consideration its evaluation of the proposals against the prescribed evaluation criteria in the RFP, it was concluded that discussions may be beneficial and would allow for exchanges with offerors. The determination was made to establish the competitive range and allow offerors within the competitive range to participate in discussions.

The proposal submitted by HX5 was not considered to be within the competitive range. HX5 was asked to address six (6) areas in its management approach, however the Safety and Health Plan and the teaming arrangement did not clearly address the requirements as identified in RFP. In the area of Relevant Experience, HX5 experience was very little in the areas of: Metrology and Calibration Service (M&CS), Gas and Material Science Service (G&MSS), Environmental Science Service (ESS), Natural Resources Management Service (NRMS) and Geographical Information Service (GIS). I do not believe that exchanges with HX5 could improve its proposal enough to have a reasonable chance for award. HX5 was notified of exclusion from the competitive range by letter on December 23, 2009, and presented the opportunity to request a debriefing. HX5 requested a post award debriefing on December 30, 2009.

The competitive range was established and it included Skylla, NPD, and A<sup>2</sup> Research. On December 23, 2009, the ABT notified Skylla, NPD, and A<sup>2</sup> Research of their inclusion in the competitive range and sent them "Questions and Exchanges", informing them that written responses were due by January 07, 2010. The 3 offerors were asked to address the identified issues and advised that proposal modifications "shall be in writing" and the Government "intends to make award" without obtaining further modifications. Responses to the "Questions and Exchanges" were received by the specified due date.

After review of the proposal modifications it was determined that further discussions were necessary. The ABT drafted a list of questions, specific to each offeror remaining in the competitive range, and on January 15, 2010 sent them to each offeror. The offerors were provided an opportunity to meet with members of the ABT and discuss the questions provided to them. On January 19, 2010, A<sup>2</sup> Research met with the ABT, while Skylla and NPD met with the

team on January 20, 2010, and asked questions regarding the questions sent them by the ABT. All offerors were informed that their written responses were due on January 26, 2010. The ABT reviewed all responses received and determined that each offeror had addressed the issues and no further discussions would be necessary. All offerors were notified on February 11, 2010 that discussions were formally closed and the Government requested final proposal revisions be received no later than February 18, 2010.

Final proposal revisions were received on February 18, 2010. The evaluation team reviewed the final proposal revision from each offeror the results are noted below as follows:

## EVALUATION OF FINAL PROPOSAL REVISIONS

### MANAGEMENT APPROACH:

Offerors were required to address six (6) main areas in their management approach; Phase-In, Organizational Chart, Safety and health, Staffing Plan, Total Compensation, and Joint Venture Agreement or teaming arrangement, if any.

### SKYLLA

Skylla's management approach was evaluated to determine its effectiveness. Skylla addressed all areas. As a result of discussions and changes incorporated into the final proposal revision, the response left some doubt that the proposed approach will be effective throughout the life of the contract, specifically in the area of staffing and total compensation plan as it relates to recruitment and retention of employees. Based on the information submitted during discussions and as addressed in the final proposal revision, Skylla's management approach was considered **Moderately Effective**.

### NPD

NPD's management approach was evaluated to determine its effectiveness. The detail provided in the Phase-In, Organizational Chart, Safety and Health, Staffing Plan, Total Compensation, and Teaming Arrangement of NPD's management approach reflected a clear understanding of the work to be performed and instilled confidence that its approach would be highly effective. NPD provided the requested information. As a result of discussions and changes incorporated into the final proposal revision, the response left little doubt that the proposed approach will be highly effective throughout the life of the contract and NPD's management approach was considered **Highly Effective**.

### A2 RESEARCH

A<sup>2</sup> Research's management approach was evaluated to determine its effectiveness. The detail provided in the Phase-In, Organizational Chart, Safety and Health, Staffing Plan, Total Compensation, and Teaming Arrangement of A<sup>2</sup> Research's management approach reflected a clear understanding of the work to be performed and instilled confidence that its approach would be highly effective. A2 Research provided the requested information in its proposal. As a result of discussions and changes incorporated into the final proposal revision, the response left little doubt that the proposed approach will be highly effective throughout the life of the contract and A<sup>2</sup> Research's management approach was considered **Highly Effective**.

### **PAST PERFORMANCE:**

Offeror's past performance on similar projects was evaluated to determine the quality of work previously provided and to assess the relative capability of the offeror to effectively accomplish the requirements of this contract. Past performance information was utilized to assess the extent to which contract objectives (including management, technical management, quality control, safety program, and other areas as addressed in attachment 14 of solicitation) have been achieved on comparable or related type work.

### **SKYLLA**

Past performance for Skylla includes relevant contracts performed within the last three years as required in the solicitation with values up to \$36.9M. No changes were made during discussions to the past performance information. Based on the information reviewed and gathered during the evaluation process, Skylla was determined to have an overall **Outstanding** past performance including safety record because its proposal substantially exceeded the requirements stated in the RFP.

### **NPD**

Past performance for NPD includes relevant contracts performed within the last three years as required in the solicitation with values up to \$33.5M. No changes were made during discussions to the past performance information. NPD's proposal substantially exceeded the requirements stated in the RFP. Based on the information reviewed and gathered during the evaluation process, NPD was determined to have an overall **Outstanding** past performance including safety record.

### **A2 RESEARCH**

Past performance evaluation for A<sup>2</sup> Research included relevant contracts performed within the last three years, as required in the solicitation, with values up to \$74M. The information provided by A<sup>2</sup> Research in their initial proposal, during discussions, and included in the final proposal revision was evaluated. Based on the information reviewed and gathered during the evaluation process, A<sup>2</sup> Research proposal substantially exceeded the requirements stated in the RFP and was determined to have an overall **Outstanding** past performance including safety record.

### **RELEVANT EXPERIENCE:**

All offerors were required to provide details addressing five (5) main areas of experience; Metrology and Calibration Service (M&CS), Gas and Material Science Service (G&MSS), Environmental Science Service (ESS), Natural Resources Management Service (NRMS) and Geographical Information Service (GIS).

### **SKYLLA**

Skylla's relevant experience was evaluated to determine its risk. Skylla has extensive experience in Metrology and Calibration Service (M&CS), Gas and Material Science Service (G&MSS), Environmental Science Service (ESS), Natural Resources Management Service (NRMS) and Geographical Information Service (GIS). No changes were made during discussions to the relevant experience. Based on the experience submitted, little doubt exists that the Skylla can satisfactorily perform the required work. Therefore, based on Skylla's relevant experience it was considered to be a **Low Risk**.

### **NPD**

NPD's relevant experience was evaluated to determine its risk. NPD has extensive experience in Metrology and Calibration Service (M&CS), Gas and Material Science Service (G&MSS), Environmental Science Service (ESS), Natural Resources Management Service (NRMS) and Geographical Information Service (GIS). No changes were made during discussions to the relevant experience. Based on the experience submitted, little doubt exists that the NPD can satisfactorily perform the required work. Therefore, based on NPD's relevant experience it was considered to be a **Low Risk**.

### **A2 RESEARCH**

A<sup>2</sup> Research's relevant experience was evaluated to determine its risk. A<sup>2</sup> Research has extensive experience in Metrology and Calibration Service (M&CS), Environmental Science Service (ESS), and Geographical Information Service (GIS). A<sup>2</sup> Research had limited experience in Gas and Material Science Service (G&MSS) and Natural Resources Management Service. Additional information provided during discussions and included in their final proposal revision left some doubt that A<sup>2</sup> Research can satisfactorily perform all aspects of the required work. Therefore, based on A<sup>2</sup> Research's relevant experience it was considered to be a **Moderate Risk**.



**PRICE:**

All offerors were required to provide price information for all CLIN's including options identified on the Standard form 1449. The Government evaluated each offeror's proposed price including all options for completeness, reasonableness and realism to determine the best value to the Government.

**SKYLLA**

Skylla's final proposal revision was reviewed and evaluated as stated in the solicitation. Skylla's price was considered complete, realistic, and reasonable. Skylla submitted the second highest price proposal for all CLINs including all options.

**NPD**

NPD's final proposal revision was reviewed and evaluated as stated in the solicitation. NPD's price was considered complete, realistic, and reasonable. NPD submitted the highest price proposal for all CLINs including all options.

**A2 RESEARCH**

A<sup>2</sup> Research's final proposal revision was reviewed and evaluated as stated in the solicitation. A<sup>2</sup> Research's price was considered complete, realistic, and reasonable. A2 Research submitted the lowest price proposal for all CLINs including all options.

### C. Source Selection Decision

With respect to the process and findings, I probed the ABT during the presentation and considered its evaluation of the final proposal revisions against the prescribed evaluation criteria contained in the RFP. I noted that the discussion process was fair and provided each offeror with in the competitive range the opportunity to respond to the questions provided. I concluded the evaluation plan was followed and the evaluation of the proposals was fair, comprehensive, thorough and well-documented. The responses received from each offeror during the discussion process were thoroughly reviewed and sufficient to complete the evaluation process. As the Source Selection Authority, I concurred with the findings of the ABT and adopted those findings without exception. I made my selection decision based on a comparative assessment of all proposals against all source selection criteria in the RFP.

| Companies   | Management Approach  | Past Performance | Relevant Experience |
|-------------|----------------------|------------------|---------------------|
| SKYLLA      | Moderately Effective | Outstanding      | Low Risk            |
| NPD         | Highly Effective     | Outstanding      | Low Risk            |
| A2 RESEARCH | Highly Effective     | Outstanding      | Moderate Risk       |

Before making my selection, I looked at the selection criteria to determine the importance of the price and non-priced factors. The solicitation prescribes that all three non-priced evaluation factors (Management Approach, Relevant Experience, and Past Performance) are approximately equal. **When combined, these three value characteristics (Management Approach, Relevant Experience, and Past Performance) are significantly more important than Price.** Because the non-priced factors were significantly more important than price, I first looked at all offerors ratings and compared the ratings to see who the highest rated offeror was. I noticed that based on the evaluation of the non-priced factors NPD received the highest ratings in all areas. While NPD received the highest ratings in all areas, its proposal was also the highest price offer received. NPD's price proposal over the five years was \$4,455,364.50 higher than the lowest price offer submitted by A<sup>2</sup> Research, and \$245,418.04 higher than Skylla. In accordance with the RFP, I then looked further to see if a tradeoff would be in the best interest of the Government.

I further reviewed the ratings for each Offeror for any benefits or risk associated with each proposal. In the past performance criteria, I noted that Skylla, NPD, and A<sup>2</sup> Research were all rated "outstanding." As such, there were no discriminators in this value characteristic.

In the area of management approach, NPD's and A<sup>2</sup> Research's ratings were "highly effective" while Skylla received a "moderately effective" rating. The management approach offered by NPD and A<sup>2</sup> Research both reflected a clear understanding of work to be performed and were considered to offer the ability to provide uninterrupted high quality of work. Both approaches

were rated equally and should be highly effective throughout the life of the contract. Skylla's management approach, which was rated moderately effective, leaves some doubt that its approach will be effective throughout the life of the contract, specifically in the area of staffing and total compensation plan as it pertains to recruitment and retention of qualified employees throughout the life of the contract.

A comparison of the three offerors under the management approach revealed that NPD and A<sup>2</sup> Research provided similar efficiencies. Skylla did not offer the same level of efficiency. After a comparative assessment of all the findings under management approach, I concluded both NPD and A<sup>2</sup> Research provided essentially equivalent value to the Government. Consequently, the management approach was not a discriminator for NPD or A<sup>2</sup> Research.

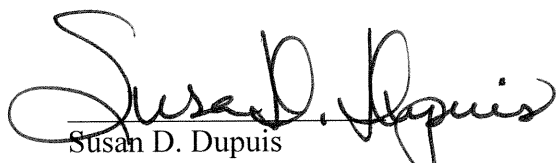
In relevant experience, Skylla and NPD received ratings of "low risk". They provided evidence of similar experience and demonstrated that they have accomplished the required skills needed to satisfactorily perform this requirement. A<sup>2</sup> Research received a rating of "moderate risk". It did not provide all the required experience or skills needed and left some doubt that it can satisfactorily perform this requirement, specifically in the Gas and Material Science Service and the Natural Resource Management Service. After a comparative assessment of all the findings under relevant experience, I concluded both Skylla and NPD provided essentially equivalent value to the Government under this factor. Consequently, this factor was not a discriminator for Skylla or NPD.

The solicitation stated that the three non-priced items were approximately equal. When combined these three value characteristics (Management Approach, Relevant Experience, and Past Performance) are significantly more important than price. NPD received the highest ratings in all areas; however, its proposal is the highest price offer received. A review and comparison of the price proposals offered by NPD and Skylla indicate a minimal price difference, \$245,418.04, (over 5 years) between the proposals. Both Offerors received the same ratings for past performance and relevant experience; however, Skylla received a moderately effective rating for management approach. The Government identified and discussed the risk associated with the ability to retain employees and Skylla addressed our concern in its final proposal. However, the response was not considered effective in mitigating this risk. After carefully reviewing the evaluation and findings for both proposals, I could not determine any significant benefit or advantage to the Government that would warrant a trade-off between Skylla and NPD that would allow award to Skylla.

I further reviewed the findings for NPD and A<sup>2</sup> Research in making the determination of whether a trade-off between the Offerors was advantageous and in the best interest of the government. Both Offerors received the same ratings for Management Approach (Highly Effective) and Past Performance (Outstanding). A<sup>2</sup> Research received a "moderate" risk rating for relevant experience while NPD received a "low" risk. A<sup>2</sup> Research identified limited experience with two of the five disciplines required in the solicitation. However, A<sup>2</sup> Research's intent is to retain the incumbent work force for which it has indicated receiving 86% commitment. This retention of the incumbent work force will serve to mitigate any risk that may be realized by awarding to a company that has limited experience. In addition, the established performance requirement summary (performance standards) entails planned and unplanned inspections, verified customer

complaints and record review which will also provide safeguards to mitigate the moderate risk rating A<sup>2</sup> Research received for relevant experience. I have determined that the cost savings of \$4,455,364.50 over five years to be realized in awarding to A<sup>2</sup> Research, despite its moderate risk rating for relevant experience, is most advantageous to the Government.

Based on my deliberations outlined above, I conclude that A<sup>2</sup> Research's proposal is the most advantageous to the Government. A<sup>2</sup> Research's highly effective rating for its management approach, moderate risk rating for relevant experience, and outstanding rating for past performance, coupled with its significantly lower price and intent to retain the incumbent personnel, amply demonstrate its ability to successfully complete the contract requirements while providing the overall best value to the Government. Accordingly, I select the offer submitted by A<sup>2</sup> Research for award of the Laboratory Services Contract for a total contract value of \$26,064,347 including options at John C. Stennis Space Center.

  
Susan D. Dupuis  
Source Selection Authority